

Skagen Services UK Limited

Directors' report and financial statements

for the year ended 31 December 2013

Registered number: 4744897



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Skagen Services UK Limited

Directors' report and financial statements for the year ended 31 December 2013

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Skagen Services UK Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2013.

Principal activities

The Company's principal activity is primarily management consulting services.

Business review

The results for the year are set out in the profit and loss account on page 5 and are in line with expectations.

The net assets of the Company are detailed on page 7.

The directors have taken the exemption under Section 415A of the Companies Act 2006 from undertaking the detailed business review requirements of section 417 of the Companies Act 2006.

Future developments

No significant change is anticipated in the activities of the Company.

Dividends and transfers to reserves

No dividend has been proposed or paid in respect of the year ended 31 December 2013 (2012: £nil). Details of the profit of £78,000 (2012: £29,000) transferred to reserves are set out in the profit and loss account on page 5.

Directors

The directors of the Company during the year ended 31 December 2013 and up to the date of signing of the financial statements, except where stated below were:

LJ Malmberg (resigned 2 January 2014)
C Sørensen Lötter
A Reynolds
M Philip-Sørensen
L Mann
JR Bond (appointed 2 January 2014)

Directors' indemnities

The Company maintains liability insurance for its directors and officers.

Skagen Services UK Limited

Directors' report for the year ended 31 December 2013 (continued)

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the directors' report is approved, the following applies:


- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) they have each taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board



J Bond
Director
3 September 2014

Independent auditors' report to the members of Skagen Services UK Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Skagen Services UK Limited, comprise:

- the profit and loss account for the year ended 31 December 2013;
- the reconciliation of movements in total shareholder's funds for the year ended 31 December 2013;
- the balance sheet as at 31 December 2013; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Skagen Services UK Limited (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Matthew Walker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

10 September 2014

Skagen Services UK Limited

Profit and loss account for the year ended 31 December 2013

Continuing operations	Notes	2013	2012
		£'000	£'000
Turnover	2	2,800	1,467
Cost of sales		(2,039)	(1,230)
Gross profit		761	237
Administrative expenses		(683)	(208)
Profit on ordinary activities before taxation	3	78	29
Tax on profit on ordinary activities	6	-	-
Profit for the financial year	11	78	29

The Company has no other recognised gains or losses other than the profit shown above; therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit before taxation and the profit for the financial years as shown in the profit and loss account and their historical cost equivalents.

Skagen Services UK Limited

Reconciliation of movements in total shareholder's funds for the year ended 31 December 2013

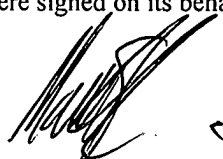
	2013	2012
	£'000	£'000
Profit for the financial year	78	29
Net increase in total shareholder's funds	78	29
Opening total shareholder's funds	45	16
Closing total shareholder's funds	123	45

Skagen Services UK Limited

Balance sheet as at 31 December 2013

		2013	2012
	Notes	£'000	£'000
Fixed assets			
Tangible assets	7	235	51
Current assets			
Debtors	8	334	399
Cash at bank and in hand		194	16
		528	415
Creditors: amounts falling due within one year	9	(640)	(421)
Net current liabilities		(112)	(6)
Total assets less current liabilities		123	45
Net assets		123	45
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	123	45
Total shareholder's funds		123	45

The financial statements on pages 5 to 13 were approved at the board meeting on the date shown below and were signed on its behalf by:



M Philip-Sørensen

Director

3 September 2014

Skagen Services UK Limited
Registered number: 4744897

The notes on pages 8 to 13 form an integral part of the financial statements.

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013

1 Principal accounting policies

Basis of accounting

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting and financial reporting standards. A summary of the more important accounting policies, which have been applied consistently, is set out below:

Going concern

The directors have received confirmation of continuing financial support which covers a period of at least a year from the date of signing these financial statements from Skagen Services B.V., the owner of the Company's ordinary shares. Therefore the financial statements have been drawn up on the basis that the Company is a going concern.

Turnover

Turnover represents the value of services provided, excluding VAT. Turnover is recognised in the period that the service is provided.

Tangible fixed assets

Tangible fixed assets are included at cost, including the incidental cost of acquisition, less accumulated depreciation. Depreciation is calculated to ensure that cost, less any residual value, is written off over the useful lives of the underlying assets.

Depreciation of tangible fixed assets

Depreciation of tangible fixed assets is provided as follows:

Furniture, equipment and motor vehicles	3 – 5 years
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Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements. Deferred tax assets are only recognised to the extent that it is considered more likely than not that they will be recoverable in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pensions

The cost of providing retirement pensions and related benefits is charged to the profit and loss account in the year to which they relate.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rate of exchange at the balance sheet date and transactions are recorded at the rate of exchange on the date of the transaction. Exchange differences arising on trading transactions are included in the profit and loss account.

Cash flow statement

The Company qualifies as a small company under the Companies Act 2006, and has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No 1 (revised 1996).

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

Principal accounting policies (continued)

Related party transactions

As a wholly owned subsidiary, the Company has taken advantage of the exemption under Financial Reporting Standard 8 "Related party disclosures" and has not reported transactions with other members of the Skagen B.V. Group.

2 Turnover

Turnover arose from a single class of business originating in the United Kingdom. The geographical destination of the turnover is within the EU.

3 Profit on ordinary activities before taxation

	2013	2012
	£'000	£'000
Profit on ordinary activities before taxation is stated after charging		
Depreciation of tangible fixed assets	18	6
Services provided by the company's auditor		
Fees payable for the audit	4	4
Fees payable for tax services	3	3

4 Employee costs

	2013	2012
	£'000	£'000
Staff costs		
Wages and salaries	1,245	637
Social security costs	181	87
Other pension costs (see note 12)	147	123
	1,573	847

	Number	Number
Monthly average number of employees (including directors)		
Direct, indirect and administration	10	5

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

5 Directors' and Emoluments

	2013	2012
	£'000	£'000
Aggregate directors' emoluments	731	475
Highest paid director		
Aggregate emoluments	178	126

The aggregate value of Company contributions paid into the defined contributions pension scheme on behalf of the directors was £Nil (2012 £nil). No director is accruing benefits under the defined contribution pension scheme (2012: nil).

6 Tax on profit on ordinary activities

	2013	2012
	£'000	£'000
Current taxation	-	-
Deferred taxation	-	-
Total tax charge	-	-

The difference between the current taxation charge for the year and the profit before taxation at the normal rate of corporation tax of 23.25% (2012: 24.5%) is analysed as follows:

	2013	2012
	£'000	£'000
Profit on ordinary activities before taxation	78	29
Tax on profit on ordinary activities at a standard rate of 23.25% (2012: 24.5%)	18	7
Effects of:		
Expenses not deductible for tax purposes	1	-
Accelerated capital allowances	(19)	(5)
Group relief obtained – not paid for	-	(2)
Total current tax	-	-

Factors affecting current and future tax charges

Changes to the UK corporation tax to 23% from 1 April 2013 were substantially enacted on 3 July 2012. As a result the effective tax rate for the year is 23.25% (2012 24.5%). Changes to the UK corporation tax rates were substantially enacted as part of the Finance Bill 2013 on 2 July 2013. These included reduction to the main rate to reduce the rate to 21% on 1 April 2014 and to 20% from 1 April 2015. Deferred taxes at the balance sheet date have been measured using these enacted rates and reflected in these financial statements.

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

7 Tangible fixed assets

	Furniture, Equipment and Motor Vehicles £'000
Cost	
At 1 January 2013	58
Additions	202
At 31 December 2013	260
Accumulated depreciation	
At 1 January 2013	7
Charge for the year	18
At 31 December 2013	25
Net book value	
At 31 December 2013	235
At 31 December 2012	51

8 Debtors

	2013	2012
	£'000	£'000
Amounts falling due within one year		
Amounts owed by group undertakings	200	337
Other debtors	61	28
Prepayments and accrued income	73	34
	334	399

Amounts owed by group undertakings are payable on demand, unsecured and interest free.

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

9 Creditors: amounts falling due within one year

	2013	2012
	£'000	£'000
Trade creditors	80	43
Amounts owed to group undertakings	466	347
Accruals and deferred income	94	31
	640	421

Amounts due to group undertakings are payable on demand, unsecured and interest free.

10 Called up share capital

	2013	2012
	£	£
Authorised		
100 (2012: 100) ordinary shares of £1 each	100	100
Allotted and fully paid		
3 (2012: 3) ordinary shares of £1 each	3	3

11 Profit and loss account

	£'000
At 1 January 2013	45
Profit for the financial year	78
At 31 December 2013	123

12 Pension arrangements

Pension arrangements are now provided through a stakeholder scheme, with benefits to pensioners based upon contributions made. The total pension cost for the year was £147,000 (2012: £123,000). As at 31 December 2013 there were no (2012: £nil) pension contributions unpaid.

Skagen Services UK Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

13 Ultimate parent undertaking and controlling party

The Company is a wholly owned subsidiary of Skagen Services B.V., a company registered in the Netherlands.

The financial statements of Skagen B.V. which is the largest and smallest group into which these financial statements are consolidated are available from Skagen B.V., Oosteinde 114, 2271 EJ Voorburg.

The ultimate parent company of Skagen Services B.V. is Skagen N.V. which is incorporated in the Netherlands Antilles. The ultimate shareholder of Skagen N.V. and so the ultimate controlling party of the Company, is The Skagen 2004 Trust of which the principal beneficiaries are the family of the late N. J. Philip-Sørensen (deceased 18th January 2010).